



County of Los Angeles  
**CHIEF ADMINISTRATIVE OFFICE**

713 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012  
(213) 974-1101  
<http://cao.co.la.ca.us>

DAVID E. JANSSEN  
Chief Administrative Officer

May 10, 2005

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**APPROVE MEMORANDUM OF UNDERSTANDING,  
FUNDING PLAN, AND RELATED ACTIONS FOR THE  
LAKEWOOD SHERIFF STATION EXPANSION PROJECT  
(FOURTH DISTRICT) (3 VOTES)**

**JOINT RECOMMENDATION WITH THE SHERIFF THAT YOUR BOARD:**

1. Approve the enclosed appropriation adjustment which provides a total of \$9.4 million in appropriation to the Project and Facility Development Budget from the Capital Projects Budget - Lakewood Sheriff Station Expansion Project (\$6.0 million) and savings identified in the Sheriff's Department 2004-05 operating budget under workers' compensation (\$3.4 million) for the purpose of allocating funds to the City of Lakewood to construct the Lakewood Sheriff Station Expansion Project.
2. Authorize the Chief Administrative Officer to execute the enclosed funding agreement and memorandum of understanding (MOU) with the City of Lakewood to permit access to the site during construction and to establish guidelines for the approved project funding and County's option to terminate the project.
3. Authorize the Chief Administrative Officer to execute any documents necessary to complete the transfer of funding for the project.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The recommended actions will allow the construction of certain improvements at the Lakewood Sheriff Station (Project) to proceed.

Board of Supervisors  
GLORIA MOLINA  
First District

YVONNE B. BURKE  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

### Background

In December 2003, your Board approved the Mitigated Negative Declaration prepared by the City of Lakewood (City) Community Development Department and authorized the City to manage and deliver the Project. Also included were recommendations to allocate \$3.0 million from Fourth District Capital Project Funds for the Project; recommendations for the Chief Administrative Officer (CAO) to enter into a memorandum of understanding (MOU) with the Sheriff's Department to provide for repayment of \$3.4 million in funds to the Asset Development Implementation Fund (ADIF); and an MOU with the City to permit temporary access to the site during construction and guidelines for the authorization and expenditure of change order contingency funds during construction.

Currently, the City is preparing plans and specifications at its expense with a total estimated project cost of \$10.8 million. The City is prepared to proceed with the Project and has offered to provide project management through the end of construction. Approval of the recommended actions will authorize the City to manage and deliver the Project. As an alternative to repaying an ADIF loan, the Sheriff's Department has identified \$3.4 million in savings from its 2004-05 operating budget under workers' compensation, which is being recommended for reallocation to the Project.

### Project Description

The Project consists of the expansion and remodel of the existing Lakewood Sheriff Station, which includes construction of a new 15,937 square foot two-story building, which will be built between the existing Station and Station Annex building, and a separate 1,900 square foot addition to the existing Station Annex. New construction will include a public lobby, dispatch office, hydraulic elevator, including additional staff offices and meeting room space and larger locker rooms.

The Project also includes a new 4,920 square foot Vehicle Service Garage, which will contain an office, evidence and vehicle parts storage rooms, mechanical and equipment rooms, a restroom, four service bays, and two carwash bays with clarifiers; the relocation of the existing fuel pump station, and necessary site work and underground utilities to accommodate the improvements.

The City's total project cost estimate for the Project is estimated at \$10.8 million. The City will contribute \$1.4 million to finalize plans and specifications and other consultant and project management services during the construction phase. The County will contribute \$9.4 million to support a portion of design, construction, and equipment costs for the Project.

Currently, the Project construction documents are approximately 90% complete. The 100% complete construction documents are scheduled for plan check submittal in May 2005. The plans and specifications for the Project have been reviewed and approved by the Sheriff's Department. The City estimates that construction will commence in Winter 2005 and be completed in approximately 18 months.

### Funding Agreement

Approval of the enclosed Funding Agreement (Agreement) with the City shall establish guidelines for the usage of the County's \$9.4 million contribution for the Project. The County's \$9.4 million contribution will support a portion of the design, construction, and equipment costs for the Project. Under this Agreement, the County will transfer \$9.4 million to the City prior to the City's award of a construction contract, which is scheduled for Fall 2005.

The funds provided by this Agreement will be held and administered by the City and will be used solely for the purpose of designing, constructing, and delivering the Project. The City, as project manager, will be allowed to disburse all payments for Project-related expenses. The County will be allowed to monitor the Project's progress and expenditures through its participation in routine Project meetings. Any funds remaining upon final acceptance of the Project by the Sheriff's Department and the City will be distributed as mutually agreed upon by the County and the City, at that time.

Further, the Agreement outlines the County's option to secure additional funding or terminate, in the event the Project's current cost estimate exceeds the aforementioned \$10.8 million. These options are described below:

- In the event the final independent cost estimate performed indicates that the estimated cost of the Project will exceed the current estimate by 10% (\$1.8 million) or less, the County will have the option to either transfer additional funding to the City or notify the City of its intent to terminate the Agreement within 60 days of the notification of the increased Project cost estimate.
- In the event the final independent cost estimate performed indicates that the estimated cost of the Project will exceed the current estimate by more than 10% (\$1.8 million), the County will have the option to either transfer additional funding to the City or notify the City of its intent to terminate the Agreement within 120 days of the notification of the increased Project cost estimate.
- In the event the County is unable to provide funding for the additional anticipated costs and exercises its option to terminate this Agreement, the County agrees to reimburse the City for actual costs incurred on the preparation of plans and

specifications, land surveys, soils testing, etc., in an amount not to exceed \$1.4 million.

#### Construction Memorandum of Understanding

Approval of the enclosed construction MOU with the City shall grant a temporary permit to enter County-owned land and facilities within the Lakewood Civic Center for the purpose of constructing the Project.

In order to minimize operational impacts during construction of the Project, the City is granting a no-fee license to the County which provides temporary replacement space for displaced Station personnel at the City-owned William J. Burns Community Center (Burns Center). The licensed area will be 5,417 square feet of office space located on the second floor of the Burns Center, for the duration of construction.

In order to provide project cost control, the CAO and City have established guidelines within the MOU for the authorization and expenditure of change order contingency funds during construction. Changes to the construction contract in excess of \$75,000 will require prior written consent of the CAO, or his designated representative. Also, any requested change to the Project that deviates from the approved Project program, increases space, or modifies aesthetics, function, or utility, shall not be authorized without obtaining the prior written consent of the CAO, or his designated representative. Further, it is recommended that your Board authorize the CAO to execute any documents to complete the transfer of funding for the Project.

#### Implementation of Strategic Plan Goals

These actions are consistent with the County's Strategic Plan Goals of Workforce Excellence, Organizational Effectiveness, and Fiscal Responsibility, which your Board adopted on November 16, 1999, by providing an efficient working environment that enhances quality and productivity; encouraging collaboration and resource sharing with other jurisdictions; and investing in public infrastructure to improve the performance and productivity of the Sheriff's Department.

#### FISCAL IMPACT/FINANCING

The City's total project cost estimate for the Project, including construction, equipment, design, consultant's fees, and project administrative fees, is estimated at \$10.8 million. The City will appropriate \$1.4 million of its own funds to finalize plans and specifications and other consultant and project management services during the course of the Project through construction. The County will fund construction and equipment costs for the Project in the amount of \$9.4 million.

In September 2000, your Board approved an amendment to the 1989 Agreement for Reimbursement of Tax Increment Funds for the Lakewood Redevelopment Project Area No. 2, which provided \$3.0 million to be used for the rehabilitation of the Lakewood Sheriff Station. The \$9.4 million County contribution will be funded from the aforementioned \$3.0 million designated for the redevelopment of Lakewood and \$3.0 million from Fourth District Capital Project Funds, which is currently appropriated in the 2004-05 Capital Project Budget under Capital Project No. 77430. The remaining \$3.4 million will be funded from one-time savings identified in the Sheriff's Department 2004-05 operating budget from Workers' Compensation in addition to the \$19.1 million in savings discussed with your Board on April 12, 2005.

Approval of the enclosed appropriation adjustment will provide \$9.4 million in appropriation within the Project and Facility Development Budget from the amended 1989 Agreement for Reimbursement of Tax Increment Funds for the Lakewood Redevelopment Project Area No. 2 and Fourth District Capital Project Funds (\$6.0 million) and the Sheriff's Department 2004-05 operating budget under workers' compensation (\$3.4 million). The CAO will work with the Auditor-Controller to transfer a total of \$9.4 million from the Project and Facility Development Budget to the City of Lakewood for the Project, in accordance with the enclosed Funding Agreement.

#### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The enclosed construction MOU and funding agreement were approved by the Lakewood City Council on December 14, 2004. Further, Lakewood City Council has authorized its City Manager and City Attorney to make minor changes to both documents to ensure that County comments, if any, are addressed while maintaining the objectives of the MOU and funding agreement.

#### **ENVIRONMENTAL DOCUMENTATION**

Under the California Environmental Quality Act, the County is a "responsible agency" whose discretionary approval of the Project is required in order for the City to carry out the Project. On December 16, 2003, your Board adopted the Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program prepared by the City for the Project.

#### **CONTRACTING PROCESS**

The project will be bid and a construction contract awarded by the City of Lakewood, according to competitive bidding laws applicable to local government in the State of California.

Honorable Board of Supervisors  
May 10, 2005  
Page 6

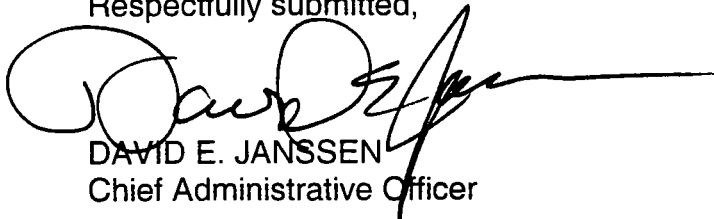
**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

There will be no negative impact on current County services or projects during the performance of the recommended services. Sheriff services will continue to be provided from the existing Lakewood Sheriff Station until construction of the station expansion is complete.

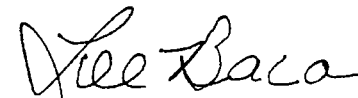
**CONCLUSION**

Please return one adopted copy of this letter to the CAO (Capital Projects Division) and the Sheriff's Department.

Respectfully submitted,



DAVID E. JANSSEN  
Chief Administrative Officer



LEROY D. BACA  
Sheriff

DEJ:JSE  
DJT:TJ:mdc

Enclosure (3)

c: Auditor-Controller  
County Counsel  
City of Lakewood

76R 352M 11/83

BOARD OF  
SUPERVISORS  
OFFICIAL COPY

COUNTY OF LOS ANGELES  
REQUEST FOR APPROPRIATION ADJUSTMENT

DEPT'S.  
No. 770

DEPARTMENT OF SHERIFF DEPARTMENT

April 5, 1905

AUDITOR-CONTROLLER.

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. WILL YOU PLEASE REPORT AS TO ACCOUNTING AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF ADMINISTRATIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFOR

- 3 VOTES -

SOURCES

USES

CAPITAL PROJECT / REFURBISHMENTS

SHERIFF STATION EXPANSION

FIXED ASSETS - B & I

A01 - CP - 77430 - 6014

\$6,000,000

SALARIES & EMPLOYEE BENEFITS - PATROL

A01 - SH - 15682 - 1000

\$ 604,000

SALARIES & EMPLOYEE BENEFITS - DETECTIVE

A01 - SH - 15683 - 1000

\$ 79,000

SALARIES & EMPLOYEE BENEFITS - ADMIN

A01 - SH - 15684 - 1000

\$ 163,000

PROJECT & FACILITY DEVELOPMENT

OTHER CHARGES

A01 - PF - 10190 - 5500

\$9,400,000

BOARD OF  
SUPERVISORS  
OFFICIAL COPYCOUNTY OF LOS ANGELES  
REQUEST FOR APPROPRIATION ADJUSTMENTDEPT'S  
No. 770

DEPARTMENT OF

SHERIFF DEPARTMENT

April 5, 1905

## AUDITOR-CONTROLLER.

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. WILL YOU PLEASE REPORT AS TO ACCOUNTING AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF ADMINISTRATIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

## ADJUSTMENT REQUESTED AND REASONS THEREFOR

- 3 VOTES -

## SOURCES

## USES

## SALARIES &amp; EMPLOYEE BENEFITS - CUSTODY

A01 - SH - 15685 - 1000  
\$ 1,923,000

## SALARIES &amp; EMPLOYEE BENEFITS - COURT SERVICES

A01 - SH - 15686 - 1000  
\$ 63,000

## SALARIES &amp; EMPLOYEE BENEFITS - GENERAL SUPPORT

A01 - SH - 15687 - 1000  
\$ 568,000

TOTAL: \$9,480,000

\$9,400,000

JUSTIFICATION: This appropriation adjustment is necessary to provide funding to the FPD Budget from Workers' Compensation savings in the Sheriff's Department and CP/RI/SH. Budget to allow for a grant to the city of Lakewood for the City's construction of certain improvements for the Lakewood Sheriff Station.

page 2 of 2

  
 Carol Marshall, Assistant Director  
 Financial Programs ASD

CHIEF ADMINISTRATIVE OFFICER'S REPORT

REFERRED TO THE CHIEF  
ADMINISTRATIVE OFFICER FOR—

ACTION

RECOMMENDATION

APPROVED AS REQUESTED

AS REVISED

April 26, 2005

CHIEF ADMINISTRATIVE OFFICER

APPROVED (AS REVISED):  
BOARD OF SUPERVISORS

19

AUDITOR-CONTROLLER BY

No. 319

BY

DEPUTY COUNTY CLERK



**FUNDING AGREEMENT FOR DESIGN AND  
IMPROVEMENTS TO THE LAKEWOOD SHERIFF STATION**

THIS AGREEMENT is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2005.

BY                   COUNTY OF LOS ANGELES,  
a body corporate and politic,  
hereinafter referred to as  
"The County",

AND                  CITY OF LAKEWOOD,  
a body corporate and politic,  
hereinafter referred to as  
"The City".

**WITNESSETH:**

WHEREAS, the mutual goal of the City and the County is to enhance the operations of the Lakewood Sheriff Station through improved facilities. The City and the County shall endeavor to achieve a mutually approved plan of improvements to meet this goal.

WHEREAS, the City and County have executed a Memorandum of Understanding that specifies the roles and responsibilities of both parties during the planning, design, construction, and delivery of the improvements contemplated at the Lakewood Sheriff Station under this Agreement (the "Construction MOU").

WHEREAS, the total cost to design, construct, and deliver the mutually approved improvements is estimated to be \$10,800,000.

WHEREAS, the County Board of Supervisors has approved a grant in the amount of \$9,400,000 to the City to support the design, construction, and delivery of the mutually approved improvements to the Lakewood Sheriff Station.

NOW, THEREFORE, in consideration of the mutual promises, covenants and conditions set forth herein the parties hereto agree as follows:

**A.     The Improvements**

1.     The proposed improvements to the Lakewood Sheriff Station are specified in Exhibit A (the "Improvements") and are subject to final approval by designees of the City and County.

2. Nothing in this Agreement shall be construed as an approval by the County of the implementation of the Improvements regardless of the source of funding for the Improvements.
3. The Improvements funded pursuant to this Agreement will be subject to the provisions and requirements of the California Environmental Quality Act.

**B. Approved Funding and County Option to Terminate**

1. The County hereby grants to the City the amount of \$9,400,000 to support the design, construction, and delivery of the Improvements.
2. The County funds granted under this Agreement will be transferred to the City upon agreement between the City and County on the cost of the Improvements and prior to the award of a construction contract.
3. The funds provided by the County pursuant to this Agreement will be held and administered by the City and will be used solely for purposes of designing, constructing, and delivering the Improvements.
4. In the event the final independent cost estimate performed pursuant to the Construction MOU indicates that the anticipated cost of the Improvements will exceed the current project estimate of \$10,800,000 by ten percent (\$1,800,000) or less, the County will either transfer the additional funds necessary to fund the revised project cost estimate to the City or notify the City of its intent to terminate this Agreement within 60 days of notification of the increased project cost.

In the event a cost estimate performed pursuant to the Construction MOU indicates that the anticipated cost of the Improvements will exceed the current project estimate of \$10,800,000 by more than ten percent (\$1,800,000), the County will either transfer the additional funds necessary to fund the revised project cost estimate to the City or notify the City of its intent to terminate this Agreement within 120 days of notification of the increased project cost.

5. In the event the County is unable to provide funding for the additional anticipated costs and exercises its option to terminate this Agreement, the County agrees to reimburse the City for actual costs incurred by consultants on the preparation of plans and specifications, surveys, testing, and miscellaneous expenses, for the Improvements in an amount not to exceed \$1,400,000. The County agrees to complete reimbursement of these actual

costs within 30 days of receipt of an acceptable invoice and satisfactory documentation of City costs from the City.

**C. Agreement Term**

1. This Agreement will remain in force for one (1) year following its execution date unless modified pursuant to Section B.4 of this Agreement or the Construction MOU.

**D. Financial Records**

1. The City agrees to maintain satisfactory financial accounts, documents and records of the expenditure of City and County Funds and to make them available to the County for auditing at reasonable times. The City also agrees to retain such financial accounts, documents and records for five (5) years following termination of this Agreement.
2. The City agrees to use a generally accepted accounting system. The City also agrees to maintain, and make available for County inspection, accurate records of all of its costs, disbursements and receipts with respect to its activities under this Agreement.
3. At any time during the term of this Agreement or at any time within five (5) years of the expiration or prior termination of this Agreement, authorized representatives of the County may conduct an audit of City records for the purpose of verifying appropriateness and validity of expenditures of City and County Funds under the terms of this Agreement. If said audit reveals expenditures that cannot be verified or that were paid in violation of the terms of this Agreement, the County may request that the City substitute other funds available to the City, or if all County Funds have not yet been paid to the City, the County may, in its discretion, reduce its County Funds obligation by an amount equal to such expenditures.

The City, within thirty (30) days of notification from the County of its audit findings, may dispute the audit findings in writing to the County and provide the County with records and/or documentation to support the expenditure claims. The County shall review this documentation and make a final determination as to the validity of the expenditures.

The City will provide the County Chief Administrative Office with a report itemizing actual expenditures funded by monies received pursuant to this Agreement prior to a request for an extension to this Agreement or within one hundred twenty (120) days following the termination of this Agreement.

**E. Hold Harmless and Indemnification**

1. The City shall indemnify, defend and hold the County, its officers, and employees harmless from and against any and all liability to any third party for or from loss, damage or injury to persons or property in any manner arising out of, or incident to, the performance of this Agreement.
2. The County shall indemnify, defend and hold the City, its officers, and employees harmless from and against any and all liability to any third party for or from loss, damage or injury to persons or property in any manner arising out of, or incident to, the performance of this Agreement.

**F. Notices and Approvals**

1. All notices and approvals shall be directed to and made by the following representatives of the parties:
  - a. To the County: Chief Administrative Office  
Capital Projects/Debt Management Division  
Attn: Jan Takata  
Assistant Division Chief  
Hahn Hall of Administration, Room 754  
500 West Temple Street  
Los Angeles, CA 90012
  - b. To the City: City of Lakewood  
Attn: City Clerk  
5050 Clark Avenue  
Lakewood, CA 90712

**G. Nondiscrimination**

1. The City shall not discriminate against any person on the basis of race, color, sex, sexual orientation, age, religious belief, national origin, marital status, physical or mental handicap, medical condition, or place of residence in the use of the County Funds paid to the City pursuant to this Agreement.

**H. Severability**

1. If any provision of this Agreement, or the application thereof, is held to be invalid, that invalidity shall not affect other provisions or applications of the

Agreement that can be given effect without the invalid provision or application, and to this end the provisions of the Agreement are severable.

**I. Effective Date**

The effective date of this Agreement shall be the date of approval by the County's Chief Administrative Officer.

IN WITNESS WHEREOF, the City has executed this Funding Agreement, or caused it to be duly executed by its authorized representative, and the County of Los Angeles by order of its Board of Supervisors, has delegated to its Chief Administrative Officer the authority to execute this Agreement on its behalf on the date and year written below.

CITY OF LAKEWOOD

By \_\_\_\_\_  
Mayor Date

COUNTY  
County of Los Angeles

By \_\_\_\_\_  
David E. Janssen  
Chief Administrative Officer Date

APPROVED AS TO FORM:

OFFICE OF THE COUNTY COUNSEL

By  \_\_\_\_\_  
Principal Deputy

LAKEWOOD CITY ATTORNEY

By: \_\_\_\_\_  
City Attorney

## **LAKEWOOD SHERIFF STATION EXPANSION MEMORANDUM OF UNDERSTANDING (MOU)**

This MEMORANDUM OF UNDERSTANDING (MOU) is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2005, by and between the City of Lakewood, a municipal corporation, hereinafter referred to as "City", and the County of Los Angeles, a body politic and corporate, hereinafter referred to as "County" to set forth their respective rights and obligations to renovate and expand the Lakewood Sheriff's Station and Annex Building and replace the automobile service garage.

**WHEREAS**, County currently provides police protection and emergency services to City pursuant to a Contract Service Agreement; and

**WHEREAS**, County currently owns and operates a Sheriff Station on County-owned land at 5130 North Clark Avenue within City's Civic Center as further legally described in the attached Exhibit A; and

**WHEREAS**, County owns that portion of the Annex Property located at 5110 North Clark Avenue, and houses administrative staff in said building. City owns that portion of the Annex Property located at 5100 North Clark Avenue as further legally described in the attached Exhibit B; and

**WHEREAS**, County is willing to renovate and expand the Sheriff station building, automobile maintenance garage, and Annex building in cooperation and participation with City; and

**WHEREAS**, City and County entered into a Funding Agreement on \_\_\_\_\_, 2005 for the project's design, construction management, equipment and construction costs; and

**WHEREAS**, City desires to assist and support County in renovating and expanding the Sheriff station building, automobile maintenance garage, and Annex building, which ultimately enhances police protection and emergency services for the general public within City; and

**WHEREAS**, County is willing to grant City a Permit to access its property for construction-related purposes; and

**WHEREAS**, City is willing to accommodate displaced-Sheriff staff, facilities, and equipment during construction by providing replacement office space at the William J. Burns Community Center; the terms for the use of which is described in Exhibit G entitled "Use of Burns Center by Sheriff" and attached hereto; and

**NOW, THEREFORE**, in consideration of the foregoing recitals, which are hereby deemed a contractual part hereof and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and the rents, covenants and agreements hereinafter contained, and intending to be legally bound, City and County hereby covenant and agree as follows:

### **ARTICLE 1. DEFINITIONS:**

- 1.1. Acceptance/Date. "Acceptance" shall mean completion of the Work in accordance with the approved plans and specifications, including completion of all punch list items, to the

satisfaction of County. "Acceptance Date" shall mean the date County certifies in writing to City its Acceptance of the Work, without regard to whether the project is actually occupied by County, or whether City has made a final settlement with any Contractor who performed the Work.

- 1.2. Architect. "Architect" shall mean Charles Walton Associates, AIA, Incorporated, 320 Arden Avenue, Suite 210, Glendale, California (telephone (818) 240-5456).
- 1.3. Board. "Board" shall mean the Board of Supervisors of County of Los Angeles.
- 1.4. Burns Center. "Burns Center" shall mean the William J. Burns Community Service Center, located at 5510 Clark Avenue, Lakewood.
- 1.5. CITY. "City" shall mean City of Lakewood, a municipal corporation, 5050 Clark Avenue, Lakewood, CA 90712.
- 1.6. City Representative. "City Representative" shall mean City Manager of City of Lakewood or his designee.
- 1.7. City Council. "City Council" shall mean City Council of City of Lakewood, CA.
- 1.8. Contractor. "Contractor" shall mean that person, persons, or entity awarded any contract by City to perform the Work.
- 1.9. County. "County" shall mean County of Los Angeles, a body corporate and politic, a political subdivision of the State of California, Hall of Administration, 500 West Temple Street, Los Angeles, CA 90012.
- 1.10. Funding Agreement. "Funding Agreement" is that document entitled, "Funding Agreement for Design and Improvements to the Lakewood Sheriff's Station" entered into by the CITY and COUNTY on \_\_\_\_\_, 2005 and attached hereto as Exhibit E.
- 1.11. "Lakewood Sheriff Station Expansion Project" or "Project" shall be defined to include off-site and on-site infrastructure and utility improvements; design, demolition and construction of certain improvements; installation of furniture, fixtures and equipment, including the automobile service garage. The "Project" shall also be known as the "work".
- 1.12. Owner's Representative. "Owner's Representative" shall be County's employee as set forth in Section 3.4 who shall have a right of access to said construction work to ascertain that the work is being performed in accordance with the Project's drawings and specifications.
- 1.13. Sheriff. "Sheriff" shall mean the Sheriff of Los Angeles County and subordinate staff acting in their official capacity.
- 1.14. Substantial Completion. "Substantial Completion" shall mean completion of the Work to the extent that the Work is reasonably usable by County for the purposes contemplated in this agreement, and the date written notice thereof has been served on County by the CITY. Substantial Completion does not require completion of punch list items of the Work which do not interfere with the use of the Site for its intended purposes.



- 1.15 Site. "Site" shall mean the demised premises of this agreement, generally described as the Lakewood Sheriff Station, three single story structures of approximately 21,656 gross square feet in Building "A" (Station), approximately 10,152 gross square feet in Building "B" (Annex), and 4,248 gross square feet in the automobile service garage, and the immediate appurtenances thereto, comprising a total site gross square footage of approximately 174,877 square feet, as shown on Exhibit A, including the right of ingress and egress thereto, and including the right to store thereon materials and equipment related to the remodeling and renovation contemplated herein. Excluded from the premises are all items of personal property, interior furnishings, and fixtures and equipment that are attached to the structure.

## ARTICLE 2. PROJECT SCOPE AND RESPONSIBILITIES OF THE PARTIES:

The Project shall entail the design, demolition and construction of off-site and on-site infrastructure, utility and building improvements along with installation of furniture, fixtures and equipment. City and County desire that the Lakewood Sheriff's Station and Annex Buildings comply with County's development and engineering standards and that the architecture of said buildings remains consistent with the appearance of adjacent Civic Center facilities to the fullest extent possible. Accordingly, City and Sheriff are working diligently together to create plans, specifications, and bid documents that will be mutually agreed upon and approved by the CITY and COUNTY.

- 2.1 The City shall have authority to contract with licensed Architectural, Engineering, Landscaping, Land Planning, Geotechnical, Construction, and construction-related companies subject to County's approval, which shall not be unreasonably withheld.
- 2.2 City and County shall collaborate and mutually agree upon all design, materials, vendors, contractors, project schedule and budget matters.
- 2.3 City shall be responsible for managing and conducting the design and plan check process. All plans and specifications shall be subject to City and County approval, which shall not be unreasonably withheld.
- 2.4 At the conclusion of the design and plan check process, City and County will review the project estimate for the purpose of advertising for bids in accordance with the process set forth in the Funding Agreement.
- 2.5 City will be responsible for managing and delivering the project as the responsible lead agency with respect to CEQA and all environmental and entitlement requirements.
- 2.6 The currently adopted County Building Code and other technical codes shall apply to the Project as applicable. Plan check and building inspections shall be conducted by City or County in order to achieve Final Permitted Plans.
- 2.7 City shall be responsible for preparing and soliciting the request for bids from qualified contractors. Each contractor shall be requested to submit a sealed fixed contract bid price at the time and place advertised in the notice inviting bids for the project.
- 2.8 After bids are received, City and County will review the bids for the purpose of awarding a

contract in accordance with the process set forth in the Funding Agreement.

- 2.9 City shall contract with certain vendors and contractors to facilitate the project. City Representative will be the sole point of contact with the construction contractor(s) and vendor(s).
- 2.10 City shall be the Construction Manager responsible for the coordination of construction of the improvements by the contractors and vendors. City shall also be responsible for construction inspection and contract administration. County reserves the right to have a County Building Official perform inspections.
- 2.11 During the course of construction, City shall schedule project meetings at a time, frequency and place that is mutually convenient. City, County, General Contractor, and Architect will be included, and other consultants, contractors and vendors as needed.
- 2.12 City and County will work in good faith to complete the project in accordance with the mutually agreed upon project budget and construction schedule as set forth in Exhibits C and D and the Funding Agreement.
- 2.13 City or County may make changes, additions, deletions or alterations ("Change Order") in the Final Permitted Plans provided both City and County approve such changes in writing in accordance with the terms and conditions set forth in the Funding Agreement relating to construction change orders. Changes to the construction contract in an estimated amount less than \$75,000 require advance approval by City Representative and the representative designated by the Sheriff Department by using the Change Order Approval form attached hereto in Exhibit F. Change Orders estimated in excess of \$75,000 will also require advanced approval by the representative designated by County CAO. If a requested change deviates from the approved project program, increases space over the total square feet in Final Permitted Plans, or significantly modifies aesthetics, function or utility, such work shall not be authorized without obtaining advance written approval from County's CAO representative. County's review of such requested changes from City shall not be unreasonably withheld.

Once advance approval has been obtained, a final price for the change order will be solicited from the contractor and the change order will be processed. If the final price from the contractor exceeds the estimate by more than 5%, the Sheriff's and CAO's representatives providing advance approval will be requested to confirm their prior approval. City, as the Construction Manager, will be responsible for preparing the Change Order Approval Forms, Contract Change Orders, and tracking those requests.

- 2.14 City and County will not transfer or convey ownership of its respective facilities improvements, or land before, during or upon completion of the project, unless such transfer or ownership change is approved in a separate Agreement between the CITY and COUNTY. Participation in the project shall not be interpreted to mean a change or transfer in ownership or creation of an equity position.
- 2.15 City as lead agency and construction manager shall not encumber the project or related properties with mechanic liens or any other liens.

- 2.16 Within sixty (60) calendar days after completion of the Project, City shall be responsible for providing County with a set of conformed plans ("as-builts") incorporating, in accordance with standard industry custom and practice, field changes made and changes and/or revisions that have been made subsequent to the submission of the Final Permitted Plans. Such "as-built" or "record documents" shall be submitted on a CD of AutoCAD R 12.dwg (or latest version) format or .DXF format, along with one complete set of Mylar transparencies of drawings and one complete set of specifications.
- 2.17 City shall cause its Contractor to furnish City and County two (2) separate bonds, as follows:
- (a) Before commencing construction, the City shall cause the Contractor to furnish a performance bond issued by a surety company licensed to transact business in the State of California. Said bond shall be in an amount equal to one hundred percent (100%) of the amount of the City's construction contract with the Contractor. It shall assure full and satisfactory performance by the Contractor of the obligation contained herein to construct or install the Work contemplated by the drawings and specifications. Said bond and surety company must be satisfactory to the County, and shall name the Contractor as principal and City and County as obligees. In addition, said bond shall be so conditioned as to assure the faithful performance by the Contractor of all required work under this agreement in a manner that is satisfactory and acceptable to the City and County. This bond shall remain in full force and effect until one year after Substantial Completion.
- (b) Before commencing construction City shall cause Contractor to furnish an additional surety bond issued by a surety company licensed to transact business in the State of California; said bond and said Contractor to be in all respects satisfactory to City and County, with Contractor as principal. Said bond shall be in an amount not less than one hundred percent (100%) of the amount of City's construction contract with the Contractor. Said bond shall guarantee payment for all materials, provisions, supplies, and equipment used in, upon, and/or about the performance of such construction or installation work, or for labor done thereon of any kind whatsoever. Said bond shall, in addition protect the City, Sheriff and County from any and all liability, loss or damage for failure to make such payment.
- 2.18 City shall include in its contracts for the Work a clause requiring the Contractor to warrant that the Work constructed or installed shall be free of defects in construction or otherwise for a period of one (1) year after Acceptance, and that such warranty shall be assignable. Upon County's Acceptance of the Work, the City will assign its right, title and interest in such warranty to the County which shall have the right to enforce the same.

The City shall require its Contractors to obtain from its suppliers all warranties usually available with the type and quantity being supplied. Each such warranty shall be in a form assignable to the County upon Acceptance of the Work. City shall assign, or cause to be assigned, to the County all such warranties obtained during the construction or installation of the Work.

### ARTICLE 3. PROJECT FINANCIAL TERMS:

- 3.1 County shall be responsible for construction and equipment costs estimated at \$9,400,000. Incorporated herein "Project Budget" as Exhibit C and "Project Schedule" as Exhibit D

which are in conformance with Funding Agreement. County shall have final approval of all County expenditures.

- 3.2 The County shall pay the City in accordance with the payment schedule set forth in Funding Agreement entered into between the parties, which Exhibit is attached hereto, also as Exhibit E.
- 3.3 City shall be responsible for design (architectural and engineering), permit and environmental reporting fees and construction management estimated at \$1,400,000 in conformance with Funding Agreement.
- 3.4 County reserves the right to audit for up to twenty-four (24) months after completion of the project any and all architectural, engineering, permit, project and construction management, administration or construction fees. In the event, the audit uncovers underpayment or overpayment of fees, City and County will reconcile the difference via mutual agreement or arbitration.

#### ARTICLE 4. PERMIT TO ENTER COUNTY PROPERTY:

County hereby grants City and its agents, employees, contractors and subcontractors a temporary permit to enter upon County-owned land and facilities within the Lakewood Civic Center, as described in the attached Exhibit A and referred hereinafter to as "Permitted Area", for the purpose of allowing City to conduct the construction activities outlined in Article 2 herein.

##### 4.1 TERM:

The term of this Permit shall commence upon execution of this MOU by County Board of Supervisors and terminate upon completion of the Project.

##### 4.2 PURPOSE:

County hereby agrees that City and its agents, employees, contractors and subcontractors shall be allowed to bring construction materials and equipment onto the Permitted Area to perform the construction activities outlined herein, which may include subsurface work such as trenching, soil sampling, installation of utilities, etc.

##### 4.3 OPERATIONAL RESPONSIBILITIES:

City hereby agrees to conduct construction activities within the Permitted Area during hours agreed to by Sheriff who shall be notified at least three (3) days in advance of the commencement of construction work. City and its agents, employees, contractors and subcontractors shall work diligently to coexist with and minimize disruptions to the Sheriff Department's operations. All construction equipment and materials shall be maintained in a clean and orderly manner to the satisfaction of County while located on the Permitted Area, and City and its agents, employees, contractors and subcontractors shall clean-up and perform custodial duties within the Permitted Area on a daily basis. The sheriff will be responsible for continued maintenance of the areas that they continue to occupy during construction.

#### 4.4 CONTRACTOR'S INSURANCE:

Without limiting City's indemnification of County, during the period of construction up to the Acceptance Date, City shall cause its Contractors or sub-contractors to furnish the following forms and amounts of insurance. Any coverage provided by City is excess over contractor's coverage limits. The contractor's insurance shall be primary to and not contributing with any other insurance maintained by County, and shall name County and City and their employees, agents, and consultants City as additional insureds, and shall include, but not be limited to:

(1) Comprehensive General Liability insurance endorsed for Premises-Operations, Products/Completed Operations, and Contractual Liability covering general contractors activities for the following minimum limits:

\$5,000,000 each person

\$5,000,000 each occurrence

\$5,000,000 aggregate products and completed operations

(2) Builder's Risk and Earthquake Insurance. The Contractor shall provide Builder's Risk Insurance in the baseline amount of \$10 million the value of the project. The City shall include in the bid documents additive and deductive incremental amounts of Builder's Risk Insurance, to be evaluated and selected by the City and the County as set forth in Section 2.8 and 2.9 of this MOU. The Contractor shall procure and maintain at Contractor's sole cost and expense, Builders Risk Course of Construction insurance, including earthquake, fire and vandalism coverage, covering the entire Work and including any City/County furnished material and equipment and City actual costs for construction design, testing/surveys, permitting and construction management costs against loss or damage until completion and acceptance by County and/or City. Deductible not exceeding 5% of the construction cost and 10% for earthquake will be permitted. Said policy to cover Contractor, Contractor's subcontractors, County and City of Lakewood, its employees, agents, the awarding entity, consultants, and any Trustee, under the Indenture or trust agreement, if any, securing the bonds, certificates of participation, or other evidences of indebtedness issued to finance the Work contemplated herein. The value of the policy shall be in U.S. currency.

(3) Comprehensive Auto Liability endorsed for all owned and non-owner vehicles with a combined single limit of at least \$1,000,000 per occurrence.

(4) Workers Compensation and Employers' Liability insurance providing workers compensation benefits as required by the Labor Code of the State of California, and including Employers' Liability coverage with limits of not less than the following:

Each Accident:	\$1 million
Disease - policy limit:	\$1 million
Disease - each employee:	\$1 million

(5) Commercial Property insurance to cover damage to City's and County's property including improvements and betterments from perils covered by the causes-of-loss special form (ISO form CP 10 30) and include ordinance of law coverage, which shall be written for full replacement cost of the property with a deductible no greater than 5% of the property value.

Evidence such as insurance certificates shall be provided to County at least three (3) days prior to commencement of any construction activities, and shall be provided on a monthly or quarterly basis as County deems necessary.

#### 4.5 INDEMNIFICATION AND INSURANCE

During the term of this License, the following indemnification and insurance requirements shall be in effect.

- A. Indemnification:  
Each party shall indemnify and hold harmless to other party, from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with such party's negligence, omissions, or willful misconduct.
- B. Waiver:  
Both City and County each agree to release the other and waive their rights of recovery against the other for damage to their respective property arising from perils insured in the Causes-of-Loss Special Form (ISO form CP 10 30).

#### ARTICLE 5. DEFAULT/TERMINATION

In the event, City or its agents, employees, contractors or subcontractors, or County or its agents, employees, contractors or subcontractors fail to perform the obligations or responsibilities stipulated herein, a written notice shall be provided notifying the defaulting party that it is in default and giving the party in default at least thirty (30) days to cure the default. If the default is not cured within the thirty (30) day period, this Permit may be immediately terminated and the non-defaulting party may pursue remedies available at law or in equity, including the right to recover any damages proximately caused by the default.

Notwithstanding anything herein to the contrary, receipt of default notice under this Paragraph shall be conclusively presumed to have occurred on the earliest of:

1. The date of personal delivery to the defaulting Party pursuant to Section 7.1.
2. The date of delivery shown upon the United States Postal Service's return receipt for certified or registered mail.
3. Ten (10) days after deposit of notice to the address stipulated herein, sent by first class mail with the United States Postal Service, provided prior or concurrent notice has been attempted, but delivery has been refused or the notice otherwise returned without delivery.

#### ARTICLE 6. LICENSE TO USE CITY OFFICE SPACE AT BURNS CENTER:

City, for and in consideration of the performance of the covenants and agreements hereinafter contained to be kept and performed by County, upon the following terms and conditions, hereby licenses to County, and County hereby hires and takes of and from City, the second floor portion of

those certain premises known as the Burns Center in County of Los Angeles, State of California. The terms and conditions for the use of Burns Center are further set forth in Exhibit G attached hereto.

## ARTICLE 7. GENERAL PROVISIONS:

### 7.1 NOTICES

Notices desired or required to be given by this MOU or by any law now or hereinafter in effect shall be given by enclosing the same in a sealed envelope with postage prepaid, certified or registered mail, return receipt requested, with the United States Postal Service. Any such notice and the envelope containing the same shall be addressed to the City as follows:

City Clerk  
City of Lakewood  
5050 Clark Avenue  
Lakewood, CA. 90712  
Attention: City Clerk

or such other place as may hereinafter be designated in writing by the City except that Lessor shall at all times maintain a mailing address in California.

The notices and envelopes containing the same shall be addressed to the County as follows:

Board of Supervisors  
Kenneth Hahn Hall of Administration, Room 383  
500 West Temple Street  
Los Angeles, CA 90012

With a copy to:

Chief Administrative Office, Real Estate Division  
222 South Hill Street, 3<sup>rd</sup> Floor  
Los Angeles, CA 90012  
Attention: Director of Real Estate

### 7.2 WAIVER

The waiver by City or County of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition on any subsequent breach of the same or any other term, covenant or condition herein contained.

### 7.3 MARGINAL HEADINGS

The paragraph titles in this Agreement are not a part of this Agreement thereof and shall have no effect upon the construction or interpretation of any part hereof.

#### 7.4 TIME

Time is of the essence of this Agreement and each and all of its provisions in which performance is a factor.

#### 7.5 RECORDATION

This Agreement shall not be recorded.

#### 7.6. QUIET POSSESSION

Upon County paying the license fee hereunder County shall have quiet possession of the demised Premises for the entire term hereof subject to all the provisions in the License.

#### 7.7. PRIOR AGREEMENTS

This MOU contains all of the agreements of the parties hereto with respect to any matter covered or mentioned in this MOU and no prior agreements or understanding pertaining to any such matter shall be effective for any purpose. No provision of this MOU may be amended or added to except by an agreement in writing signed by the parties hereto or their respective successors-in-interest. This MOU shall not be effective or binding on any party until fully executed by both parties hereto.

#### 7.8 FORCE MAJEURE

In the event that either party is delayed or hindered from the performance of any act required hereunder by reason of strikes, lock-outs, labor troubles, inability to procure materials not related to the price thereof, failure of power, restrictive governmental laws and regulations, riots, insurrection, war or other reasons of a like nature beyond the control of such party, then performance of such acts shall be excused for the period of the delay, and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.

#### 7.9 SEVERABILITY

Any provision of this MOU which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof and such other provisions shall remain in full force and effect.

#### 7.10 CUMULATIVE REMEDIES

No remedy or election hereunder shall be deemed exclusive but shall wherever possible be cumulative with all other remedies at law or in equity.

#### 7.11 CHOICE OF LAW

This MOU shall be governed by the laws of the State of California, exclusive of conflict of law provisions.

#### 7.12 WARRANTIES OR GUARANTEES



In the event that any of the items required to be constructed, maintained and repaired by City or its contractors under the provisions of this MOU herein are protected by warranties or guarantees County shall be entitled to the full benefit of such protection as if it were the original purchaser thereof.

#### 7.13 IMPAIRMENT OF TITLE

City hereby covenants to notify County in writing within thirty (30) days of each and every occurrence that may impair County's title to the demised Premises. Such occurrences include, but are not limited to, default on a trust deed, transfer of any interest in any trust deed, notification of any lien recordation, notification of any foreclosure, and notification of default in the master lease. City further agrees to notify County, in writing, within ten (10) days of receipt of any written notice regarding redevelopment, zoning, or conditional use permits which affect the property, the subject of this MOU or real property adjacent thereto.

#### 7.14 CONSTRUCTION

Any and all construction pertaining to this MOU by City or his designated contractors or subcontractors shall comply with all applicable City, County, State and Federal regulations, codes and ordinances, including but not limited to all provisions of the Labor Code of the State of California. Under the provisions of said Labor Code, the State Department of Industrial Relations will ascertain the prevailing hourly rate in dollars and details pertinent thereto for each craft, classification or type of workman or mechanic needed for the construction of the improvements.

Particulars of the current Prevailing Wage Scale, as approved by the Board of Supervisors, which are applicable to the work contemplated are filed with the Clerk of the Board of Supervisors and must be posted at the subject site.

#### 7.15 INTERPRETATION

The language of this MOU shall be construed according to its fair meaning and not strictly for or against City or County, pursuant to the laws of the State of California.

#### 7.16 WARRANTY OF AUTHORITY:

Each of the undersigned signatories for City hereby personally covenant, warrant and guarantee that each of them, jointly and severally, have the power and authority to execute this Agreement upon the terms and conditions stated herein and each agrees to indemnify and hold harmless County from all damages, costs, and expenses, which result from a breach of this material representation.

**IN WITNESS WHEREOF**, City of Lakewood has caused this Memorandum of Understanding to be duly executed, and County of Los Angeles by order of its Board of Supervisors, has caused this Memorandum of Understanding to be executed on its behalf by the Chair of said Board and attested to by the Clerk thereof the day, month, and year first above written.

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
David E. Janssen  
Chief Administrative Officer

ATTEST:

VIOLET VARONA-LUKENS  
Executive Officer-Clerk  
of the Board of Supervisors

By \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

OFFICE OF THE COUNTY COUNSEL

By  \_\_\_\_\_  
Principal Deputy

CITY OF LAKEWOOD

By \_\_\_\_\_  
Mayor

ATTEST:

By \_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

By \_\_\_\_\_  
City Attorney

Exhibit A  
LEGAL DESCRIPTION OF COUNTY-OWNED LAND

On motion of Supervisor Dorn, unanimously carried, it is ordered that the following instrument be accepted and recorded in the office of the County Recorder, to wit:

Grant Deed, executed on March 29, 1957 by S. M. Taper and Amelia Taper, his wife, as to an undivided 33 1/3 per cent interest, Ben Weingart and Stella Weingart, his wife, as to an undivided 33 1/3 per cent interest, Louis H. Boyar and Mae R. Boyar, his wife, as to an undivided 26 2/3 per cent interest, and Boyar Foundation, A California Corporation, as to an undivided 6 2/3 per cent interest, granting to County of Los Angeles the following described real property in the County of Los Angeles, State of California, to wit:

PARCEL 1: That portion of Lot 18, Tract No. 8084, in the city of Lakewood, county of Los Angeles, state of California, as shown on map recorded in book 171, pages 24 to 30, of Maps, in the office of the Recorder of the county of Los Angeles, within the following described boundaries:

Commencing at a point in the westerly line of said lot distant South 0° 06' 45" West along said westerly line 1467.01 feet from the northwesterly corner of said lot; thence South 89° 54' 45" East 40.00 feet to the easterly line of the westerly 40.00 feet of said lot; thence North 0° 6' 45" East along said easterly line 323.38 feet to the true point of beginning; thence continuing North 0° 06' 45" East along said easterly line 223.38 feet; thence south 89° 53' 45" East 390.00 feet to the westerly line of Lot 633, Tract No. 16215, as shown on map recorded in book 362, pages 16 to 20 inclusive, of said Maps; thence South 0° 06' 45" West along said last mentioned westerly line 223.38 feet to a line which bears South 89° 53' 45" East from said true point of beginning; thence North 89° 53' 45" West 390.00 feet to said true point of beginning.

EXCEPTING AND RESERVING THEREFROM all oil, gas and other hydrocarbon substances in and under or that may be produced from a depth below 500 feet below the surface of said land, without right of entry upon the surface of any of said land for the purpose of mining, drilling, exploring or extracting such oil, gas and other hydrocarbon substances, or other use of or right in or to any portion of the surface of said land to a depth of 500 feet below the surface thereof, but with the right to drill into, locate wells and produce oil, gas and other hydrocarbon substances from any portion of said land which lies below 500 feet from the surface thereof.

PARCEL 2: That portion of Lot 18, Tract No. 8084, in the city of Lakewood, County of Los Angeles, state of California, as shown on map recorded in book 171, pages 24 to 30, of Maps, in the office of the Recorder of the County of Los Angeles, within the following described boundaries.

Commencing at a point in the westerly line of said lot distant South 0° 06' 45" West

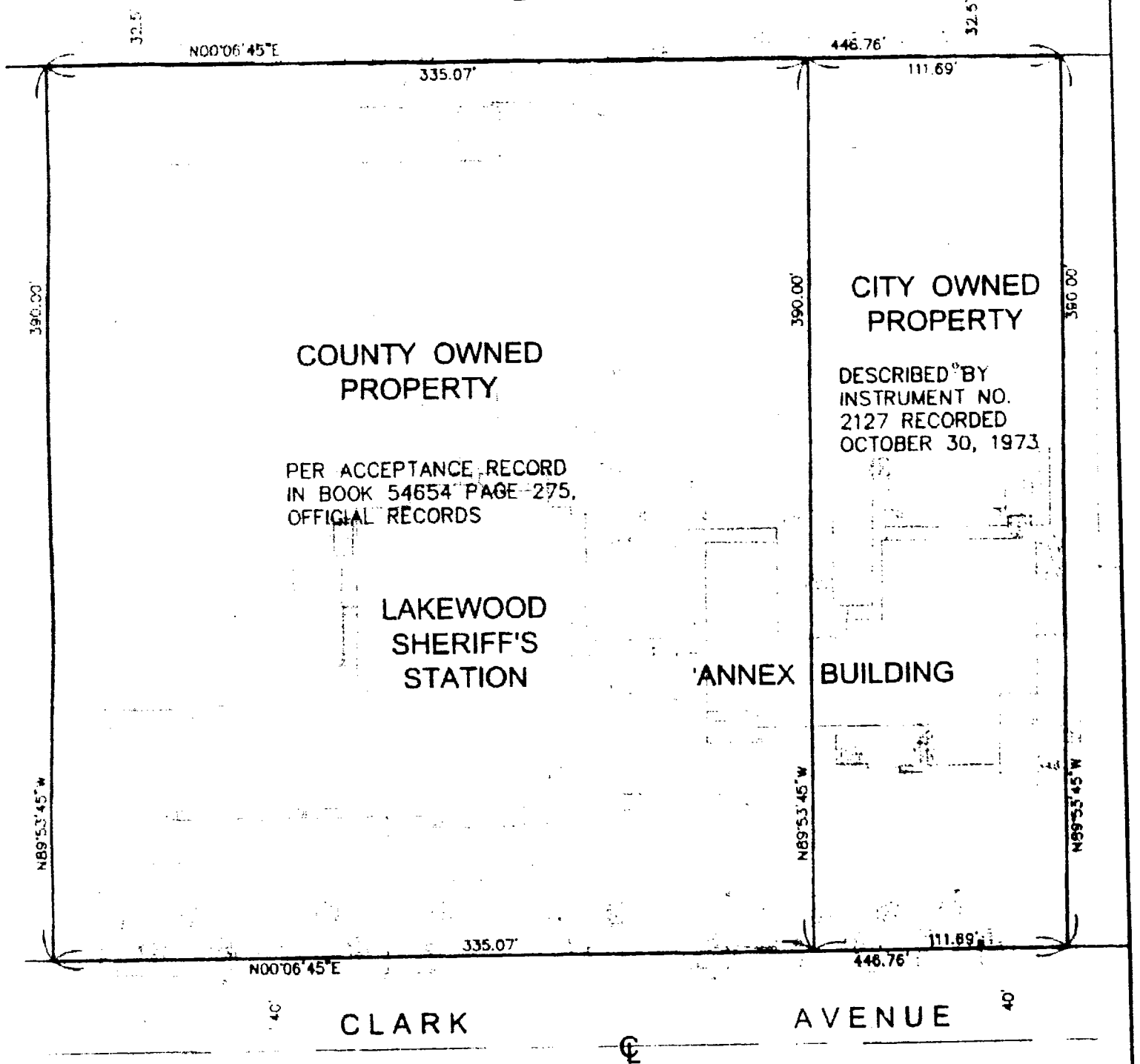
along said westerly line 1467.01 feet from the northwesterly corner of said lot; thence South 89° 54' 45" East 40.00 feet to the easterly line of the westerly 40.00 feet of said lot; thence North 0° 06' 45" East along said easterly line 211.69 feet to the true point of beginning; thence continuing North 0° 06' 45" East along said easterly line 111.69 feet; thence South 89° 53' 45" east 390.00 feet to the westerly line of Lot 633, Tract No. 16215, as shown on map recorded in book 362, pages 16 to 20 inclusive, off said Maps; thence South 0° 06' 45" West along said last mentioned westerly line 111.69 feet to a line which bears South 89° 53' 45" East from said true point of beginning; thence North 89° 53' 45" West 390.00 feet to said true point of beginning.

EXCEPTING AND RESERVING THEREFROM all oil, gas and other hydrocarbon substances in and under or that may be produced from a depth below 500 feet below the surface of said land, without right of entry upon the surface of any of said land for the purpose of mining, drilling, exploring or extracting such oil, gas and other hydrocarbon substances, or other use of or right in or to any portion of the surface of said land to a depth of 500 feet below the surface thereof, but with the right to drill into, locate wells and produce oil, gas and other hydrocarbon substances from any portion of said land which lies below 500 feet from the surface thereof.

SUBJECT TO:

- (1) All matter of record
- (2) Second-half taxes for the fiscal year 1956-57, and subsequent levies.
- (3) That subject property shall be used for public purposes only.

CIVIC CENTER LANE



PLAN

SCALE: 1" = 60'



GRAPHIC SCALE

Exhibit B  
LEGAL DESCRIPTION OF CITY-OWNED LAND

The following legal description was copied from the deed recorded October 30, 1973, as Instrument No. 2127 of the Official Records of Los Angeles County:

That portion of Lot 18, Tract No. 8084, in the City of Lakewood, County of Los Angeles, State of California, as shown on map recorded in Book 171, pages 24 to 30, of Maps. in the office of the Recorder of the County of Los Angeles, within the following described boundaries:

Commencing at a point in the westerly line of said lot distant South  $0^{\circ}06'45''$  West along said westerly line 1467.01 feet from the northwesterly corner of said lot; thence South  $89^{\circ}54'45''$  East 40.00 feet to the easterly line of the westerly 40.00 feet of said lot; thence North  $0^{\circ}06'45''$  East along said easterly line 100.00 feet to the true point of beginning; thence continuing North  $0^{\circ}6'45''$  East along said easterly line 111.69 feet; thence South  $89^{\circ}53'45''$  East 390.00 feet to the westerly line of Lot 633, Tract No. 16215, as shown on map recorded in Book 362, pages 16 to 20 inclusive, of Maps; thence South  $0^{\circ}06'45''$  West along said last mentioned westerly line and the westerly line of Lot 634 of said Tract No. 16215, a distance of 111.69 feet to a line which bears South  $89^{\circ}53'45''$  East from said true point of beginning; thence North  $89^{\circ}53'45''$  West 390.00 feet to said true point of beginning. Containing 1.000 acres.

Exhibit C

PROJECT BUDGET

**Project Expenditures**

Estimated Construction Costs	\$ 6,110,000
Estimated General Conditions Costs	\$ 1,300,000
Estimated Fixtures, Furniture and Equipment	\$ 640,000
Estimated Contingencies	\$ 950,000
Estimated Architect, Engineering, Project Management	\$ 1,800,000
<b>Total Budget</b>	<b><u>\$10,800,000</u></b>

**Project Revenue Sources:**

Los Angeles County	\$ 9,400,000
City of Lakewood (Architect, Engineering, Project Management)	\$ 1,400,000
<b>Total Revenue</b>	<b><u>\$10,800,000</u></b>

Exhibit D  
CONSTRUCTION SCHEDULE

<u>Milestone</u> .....	<u>Tentative Date</u>
Service Garage plans/specifications; building inspection.....	<i>completed June 2004</i>
Station Construction Plans 90% - review by City, County LASD and B&S .....	Feb. 2005
Construction Documents Complete, ready for Agency Plan Check .....	May 2005
Lakewood City Council Study Session to Approve Final Cost Estimate .....	July 2005
County Approval to Proceed with Bidding.....	Aug. 2005
Bid Opening .....	Sept. 2005
City Council Construction Contract Award (if authorized by County) .....	Oct. 2005
Sheriff Annex Occupants Relocate to Burns Center.....	Oct./Nov. 2005
Begin Construction on or about .....	Nov. 2005
Complete Construction (Allow 21 months approximately).....	Aug. 2007
Start Installation of F.F. & E. Items Outside of Construction Contract (4 wks).....	Sept. 2007
Sheriff Move-In.....	Oct./Nov. 2007



Exhibit E  
FUNDING AGREEMENT

Exhibit F  
CHANGE ORDER APPROVAL FORM

Lakewood Sheriff's Station Change Order Request		
Total Cost Estimate:	Date:	
Change Description: (attach sketches if any)		
Drawing Reference:	Specification:	
Justification:		
Anticipated Time Impact:		
Cost Impact Detail:	Construction:	Soft:
Signature of Lakewood Project Manager:		
Signature of Sheriff's Representative		
Signature of CAO Representative (if \$75,000 or over or if "requested change deviates from the approved project program, increases space, or modifies aesthetics, function or utility")		

Exhibit G  
USE OF BURNS CENTER BY SHERIFF

LICENSE TO USE CITY OFFICE SPACE AT BURNS CENTER

1.1 PREMISES:

City, for and in consideration of the performance of the covenants and agreements hereinafter contained to be kept and performed by County, upon the following terms and conditions, hereby licenses to County, and County hereby hires and takes of and from City, the second floor portion of those certain premises known as the Burns Center in County of Los Angeles, State of California.

The Premises to be leased to County consists of approximately 5,417 rentable square feet of office space. City represents that 5,417 rentable square feet is the maximum amount of square footage being licensed, and that at no time, except by specific amendment to this License, will the amount of square footage as contained herein exceed the amount stated above.

1.2 TERM:

The Term of this License for the Burns Center shall commence upon a mutually agreed upon date that is consistent with the construction schedule (Exhibit D) and Funding Agreement (Exhibit E). This License shall terminate thirty (30) days after issuance of a Certificate of Occupancy evidencing completion of the renovation of the annex building portion of the Project or at that time(s) City provides Sheriff and County notice that space in the Project is ready for occupancy.

1.3 CONSIDERATION:

County hereby agrees to pay no license fee for said demised Premises in return for the continuation of its rent payment to City for City's real property on which a portion of the Project is situated.

1.4 USE:

City agrees that the demised Premises together with all appurtenances thereto belonging or in any way appertaining, shall be used by County as office space for the Sheriff's Department and for other governmental purposes or lawful purposes during normal working hours, after normal working hours, and on weekends and holidays as County may desire.

1.5 CANCELLATION:

City and County shall have the right to cancel this License any time by giving the other party not less than sixty (60) days prior written notice.

1.6 DAMAGE AND DESTRUCTION:

City agrees that should the demised Premises be damaged by fire, incidents of war, earthquake, or other elements as to render them reasonably unfit for County's occupancy, as determined by County's sole discretion, then this License may be terminated immediately upon the happening of any such event whereupon County shall surrender the Premises and shall not be obligated for any further license fees and City shall refund any unearned license fees paid in advance by County calculated at a daily rate based on the regular monthly rental unless City provide an alternative

premise acceptable to County.

In the event, County elects not to terminate after the Premises are damaged, then City shall work diligently to restore the Premises in a timely manner. County reserves the right to terminate immediately in the event the Premises are not restored in a timely manner based on County's sole discretion.

#### 1.7 COUNTY'S FIXTURES:

County agrees not to install any fixtures, equipment or other personal property in or on the demised Premises without first securing the prior written consent of City Representative. Consent shall be given or denied within five (5) days of receipt of written request. Consent shall not be unreasonably withheld. Should there be no response within five (5) days the request is deemed approved.

City agrees that County may remove, at its own expense, during or at the expiration or other termination of the term of this License, or any extension or holdover period thereof, as the case may be, all fixtures, equipment and all other personal property placed or installed in or upon the demised Premises by County, or under its authority, and County shall be responsible for the cost to repair any damage caused by such removal.

#### 1.8 REPAIR / REPLACEMENT / MAINTENANCE:

City agrees to repair and maintain the Premises, which shall include replacement of any items that wear out or fail or are damaged by earthquake, fire or the elements, and/or other public disaster or casualty, at its own expense. Maintenance of the Premises shall include the base building, roof, ceilings, stairways, elevators, HVAC systems, flooring, flooring materials, walls, wall coverings, windows, window coverings, fire-life safety systems, fire extinguishers, lamps, tubes, light bulbs, sewer systems, the grounds and parking spaces, landscaping, plumbing and electrical systems.

#### 1.9 COUNTY RESPONSIBILITIES

City shall not provide janitorial services. County agrees to be responsible for regular janitorial and interior pest control spraying and quarterly carpet cleaning for its demised premises. County also agrees not to exceed electrical load limitations for demised premises. County agrees to return said Premises to City in as good condition as existed immediately prior to the commencement of this License, damage by earthquake, fire or the elements and other disaster or casualty, excepted. County shall be responsible for the reasonable restoration costs to demised premises upon completion of occupancy. Such costs could include, but not be limited to, painting interior walls and the costs to replace floor coverings.

Consistent with Project budget and Funding Agreement, County agrees to pay for reasonable changes to demised premises to accommodate Sheriff's use, including, but not limited to, such costs as modifying elevator and security to Sheriff's specifications.

#### 1.10 UTILITIES:

City agrees to pay when due all charges for the use of the sewer, effluent treatment, when and if imposed by any Governmental authority, all water, sprinkler standby charges, electricity, gas, and other lighting, heating, and power and other utility rents and charges accruing or payable in

connection with the demised Premises during the term of this License, whether the same are pro-rated or measured by separate meters.

#### 1.11 ACCESS:

County agrees to permit City or City's authorized agents free access to the demised Premises at all reasonable times for the purpose of inspection or for making necessary improvements or repairs, or to perform said services described in Section 1.8.

#### 1.12 DEFAULT:

In the event, either party fails to perform its obligations or responsibilities stipulated herein, a written notice shall be provided notifying the party that they are in default and giving the party in default at least thirty (30) days to cure the default. If the default is not cured within the thirty (30) day period, this License may be immediately terminated and the party that is not in default may pursue remedies available at law or in equity, including the right to recover any damages proximately caused by the default.

Notwithstanding anything herein to the contrary, receipt of default notice under this Paragraph shall be conclusively presumed to have occurred on the earliest of:

1. The date of personal delivery to the Lakewood City Clerk, at Lakewood City Hall, 5050 Clark Avenue, Lakewood, California.
2. The date of delivery shown upon the United States Postal Service's return receipt for certified or registered mail.
3. Ten (10) days after deposit of notice to the address stipulated herein, sent by first class mail with the United States Postal Service, provided prior or concurrent notice has been attempted, but delivery has been refused or the notice otherwise returned without delivery.

#### 1.13 ASSIGNMENT / SUBLETTING:

This License shall not be assigned or sublet.

#### 1.14 INDEMNIFICATION AND INSURANCE REQUIREMENTS:

During the term of this License, the following indemnification and insurance requirements shall be in effect.

- A. Indemnification:  
Each party shall indemnify and hold harmless to other party, from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with such party's negligence, omissions, or willful misconduct.
- B. Waiver:  
Both City and County each agree to release the other and waive their rights of

recovery against the other for damage to their respective property arising from perils insured in the Causes-of-Loss Special Form (ISO form CP 10 30).

C. General Insurance - City Requirements:

Without limiting City's indemnification of County and during the term of this License, City shall provide and maintain the programs of insurance set forth herein. Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by County, and such coverage shall be provided and maintained at City's own expense.

i. Evidence of Insurance.

An evidence of coverage letter for County as an additional covered party shall be delivered to the Chief Administrative Office, Real Estate Division, 222 S. Hill Street, 4<sup>th</sup> floor, Los Angeles, CA 90012 Attn: Director of Real Estate. Such certificates or other evidence shall: specifically identify this Agreement. Clearly evidence all coverages required in this License shall contain the express condition that County is to be given written notice by mail at least thirty (30) days in advance of cancellation for all policies evidenced on the certificate of insurance.

ii. Review of Insurance Requirements:

The types of insurance and limits required under this License shall be reviewed annually by City or its representative. Coverage types and limits shall reflect the prevailing practice in the Los Angeles metropolitan area for insuring similar property and casualty risks, and be subject to County's approval.

D. Failure to Maintain Coverage

Failure by either party to maintain the required insurance, or to provide evidence of insurance coverage acceptable to the other party shall constitute a material breach of the License.

i. Insurance Coverage Types and Limits - City Requirements:

General Liability insurance (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following:

General Aggregate:	\$ 5 million
Products/Complete Operations Aggregate:	\$ 1 million
Personal and Advertising Injury:	\$ 1 million
Each Occurrence:	\$ 2 million

ii. Commercial Property insurance. Such insurance shall:

- a. Cover damage to City's property, including improvements and betterments, from perils covered by the Causes-of-Loss Special Form (ISO form CP 10 30), and include Ordinance or Law coverage.
- b. Be written for the full replacement cost of the property, with a deductible of no greater than 5% of the property value.

c. Include a Waiver of Subrogation in favor of County.

E. General Insurance - County Requirements:

During the term of this License, County shall maintain a program of insurance coverage as described below. County, at its sole option, shall use commercial insurance and/or self-insurance coverage or any combination thereof to satisfy these requirements. Certificate(s) evidencing coverage will be provided to City after execution of this License at City's request and every year thereafter at least thirty (30) days before the policy expiration.

F. Insurance Coverage Types and Limits - County Requirements:

i. General Liability coverage (equivalent to ISO policy form CG 00 01) with limits of not less than the following:

General Aggregate:	\$ 5 million
Products/Completed Operations Aggregate:	\$ 1 million
Personal and Advertising Injury:	\$ 1 million
Each Occurrence:	\$ 2 million

City shall be named as an Additional Insured (or its equivalent) on all of the above policies.

G. Workers Compensation and Employers' Liability insurance providing workers compensation benefits as required by the Labor Code of the State of California, and including Employers' Liability coverage with limits of not less than the following:

Each Accident:	\$1 million
Disease - policy limit:	\$1 million
Disease - each employee:	\$1 million

1.15 HAZARDOUS MATERIALS:

For purposes of this Agreement, the term "hazardous substances" shall be deemed to include explosive and firearms, and any hazardous, toxic or radioactive substances as defined in California Health and Safety Code Section 25316 as amended from time to time, or the same or a related defined term in any successor or companion statutes, and crude oil or byproducts of crude oil other than crude oil which exists on the property as a natural formation, and those chemicals and substances identified pursuant to Health and Safety Code Section 25249.8.

City hereby warrants and represents based upon appropriate and reasonable inspection that during its ownership of the Premises, hazardous substances have not been released on the Premises; that it has no knowledge of any release of hazardous substances on the Premises occurring before its ownership; that it has no knowledge or reason to believe that there are hazardous substances on the Premises; that City shall comply with all federal, state and local laws and regulations concerning the use, release, storage and disposal of hazardous substances; and that City shall require all other tenants or licensees, if any, of the subject property to comply with the aforementioned rules and regulation.

County hereby warrants and represents that it shall comply with all federal, state and local laws and regulations concerning the use, release, storage and disposal of hazardous substances on the Premises.

City and County agree to immediately notify each other when either party learns that hazardous substances have been released on the Premises or, if a multi-tenant property, on the subject property.

The presence or release of hazardous substances on the Premises and/or subject property, which is not caused by County and which threatens the health and safety of County's agents, officers, employees or invitees, as determined by County's sole discretion, shall entitle County to immediately terminate this License. In the event of such termination, County shall not be obligated for any further license fees and City shall refund any unearned license fees paid in advance by County calculated at a daily rate based on the regular license fee.

City agrees to notify County at least annually of City's knowledge of the presence of asbestos containing materials within the building of which the demised Premises is part. Such notification shall comply with Health and Safety Code Sections 25915 et seq. as amended from time to time or as required by any successor or companion statutes enacted subsequent to this License.

City represents and warrants that (a) there have been no complaints regarding the indoor air quality anywhere in the building or in the HVAC system; (b) City will deliver to County copies of any such complaints received; (c) to the best of City's knowledge there are no indoor air pollution and/or air quality problems in the building; and (d) City will notify County if any indoor air quality or environmental problem is discovered or reported in the building, and undertake to correct such problem at City's sole cost and expense.